

MINUTES OF THE RETIREMENT COMMISSION
Thursday, June 4, 2015

A meeting of the Retirement Commission was held on Thursday, June 4, 2015 at 8:30 a.m., at the Macomb County Administration Building, 9th Floor Conference Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

Present:

Jerry Moffitt – Chair, Darra Slanec – Vice-Chair, Dave Flynn, Bob Hoepfner, Gary Cutler, Matthew Murphy

Excused:

Mark Deldin

Also Present:

Steve Smigiel, John Kravitz, Karen Bathanti, Leonard Reinowski, John Schapka, Brian Green, Tom Michaud

1. Call to Order

There being a quorum of the committee present, the meeting was called to order at 8:30 a.m. by Chair Moffitt.

2. Adoption of Agenda

A motion was made by Trustee Cutler to adopt the agenda as presented. The motion was supported by Vice-Chair Slanec. The motion carried.

3. Public Participation

None

4. Approval of Minutes – May 28, 2015

A motion was made by Trustee Murphy, supported by Trustee Hoepfner to approve the minutes of May 28, 2015 as presented. The motion carried.

5. Approval of Invoice

A motion was made by Vice-Chair Slanec, supported by Trustee Murphy to approve the invoice as presented. The motion carried.

6. Retirement Administrator Report

Ms. Bathanti advised that there was nothing to report on behalf of the Retirement Administrator's office.

7. Discussion and Recommendation of Actuarial Service Provider

Mr. Smigiel reported that he and Ms. Dobson had been in contact with the references provided by both Milliman and Buck. He indicated it would be difficult to make an “apples to apples” comparison because they were not provided with any references that used Milliman as an actuary and also used their administrative system. The references provided only used Milliman for one or the other. Those they spoke to indicated they were pleased with the overall services provided by Milliman, but because none of them used them for both services it is difficult to compare them directly to Buck.

Generally, it seems that either system would meet the Board’s needs. Buck’s references indicated they are pleased with their responsiveness and feel that they handle issues in a timely manner. Buck’s references were satisfied with the service they received and noted that they seemed to be very proactive in making recommendations. Buck also tended to be less technical and more apt to explain things in layman’s terms. Milliman’s system was described as very user-friendly and none of their references had anything negative to say about their experiences with them.

Mr. Smigiel’s primary concern with Milliman remains their ability to turnaround the GASB 67/68 within the necessary timeframes. Mr. Smigiel would recommend Buck based on a feeling that they will provide better actuarial service (especially related to the preparation of the GASB 67/68). Mr. Green added that his firm has not had any experience with Milliman, but has clients who have used Buck and been impressed with their method of making recommendations and presenting their opinions (very clear and understandable). Trustee Cutler expressed concern with the fact that not one of the references provided by Milliman utilized them for the full package of services that the Board is looking for. Chair Moffitt reiterated the importance of ensuring that the Board is getting the best value for the money and does not end up paying for services they don’t really need.

After additional discussion, Trustee Flynn made a motion, supported by Trustee Murphy to have Mr. Smigiel and legal counsel work on negotiating a contract with Buck to bring back to the Board for review. The motion carried.

8. Other Business

None

9. Adjournment

There being no further business before the Board, a motion was made by Vice-Chair Slanec, supported by Trustee Murphy to adjourn the meeting at 8:45 a.m. The motion carried.